

**CONSOLIDATED FINANCIAL STATEMENTS  
CORNERSTONE COMMUNITY DEVELOPMENT  
CORPORATION**

**DBA**

**BUILDING FUTURES WITH WOMEN AND CHILDREN,  
AND SUBSIDIARY  
(NONPROFIT PUBLIC BENEFIT CORPORATIONS)**

**REPORT ON AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS  
AND ADDITIONAL INFORMATION**

**YEARS ENDED JUNE 30, 2021 and 2020**

## TABLE OF CONTENTS

	<u>PAGE</u>
INDEPENDENT AUDITOR'S REPORT .....	1-2
CONSOLIDATED FINANCIAL STATEMENTS	
Consolidated Statements of Financial Position .....	3
Consolidated Statements of Activities .....	4-5
Consolidated Statements of Functional Expenses .....	6-7
Consolidated Statements of Cash Flows .....	8
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS .....	9-23
ADDITIONAL INFORMATION .....	24
Schedule of Expenditures of Federal, State County and City Awards .....	25-28
Combining Statements of Position .....	29-30
Combining Statements of Activities .....	31-32
Notes to Additional Information .....	33
ADDITIONAL REPORTS .....	34-38
SCHEDULE OF FINDINGS AND QUESTIONED COSTS .....	39
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS .....	40



*Patricia A. Wintroath, CPA*

Independent Auditor's Report

Board of Directors  
Cornerstone Community Development Corporation  
dba Building Futures with Women  
and Children, and Subsidiary  
San Leandro, California 94577

I have audited the accompanying consolidated financial statements of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary ( nonprofit organizations), which comprise the consolidated statements of financial position as of June 30, 2021 and 2020, and the related consolidated statements of activities, functional expenses, and cash flows for the years then ended, and the related notes to the consolidated financial statements.

**Management's Responsibility for the Consolidated financial statements**

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

My responsibility is to express an opinion on these consolidated financial statements based on my audit. I conducted my audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, I express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

## Opinion

In my opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

## Other Matters

### Other Information

My audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. The additional information presented on pages 25-33, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In my opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

## Other Reporting Required by Government Auditing Standards

In accordance with Government Auditing Standards, I have also issued my report dated January 18, 2022, on my consideration of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's internal control over financial reporting and on my tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of my testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with Government Auditing Standards in considering Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's internal control over financial reporting and compliance.

*Patricia A. Wintworth, CPA*

Certified Public Accountant  
Walnut Creek, CA  
January 18, 2022

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION**  
**DBA BUILDING FUTURES WITH WOMEN AND CHILDREN, AND**  
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2021 AND 2020

	Consolidated Total 2021	Consolidated Total 2020
<b>ASSETS</b>		
<b>CURRENT ASSETS:</b>		
Cash and cash equivalents	\$959,408	\$1,229,088
Grants receivable (Note D)	1,508,979	1,073,550
Accounts and pledges receivable (Note D)	134,249	11,869
Prepaid expenses	29,990	38,874
	<u>2,632,626</u>	<u>\$2,353,381</u>
<b>TOTAL CURRENT ASSETS</b>		
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization at June 30, 2021 and 2020 of \$2,570,099 (Note E) and \$2,418,746, respectively (Note E)	4,392,419	4,521,584
<b>DEPOSITS</b>	<u>22,254</u>	<u>22,254</u>
<b>TOTAL ASSETS</b>	<u><u>\$7,047,299</u></u>	<u><u>\$6,897,219</u></u>
<b>LIABILITIES AND NET ASSETS</b>		
<b>CURRENT LIABILITIES:</b>		
Accounts payable and accrued expenses	\$184,406	\$260,997
Accrued payroll expenses	133,840	143,968
Accrued vacation	153,320	135,430
Rental security deposits	27,074	21,167
Contract Advances	120,797	72,373
Line of credit (Note F)	0	100,000
Current portion of long term debt (Note G)	30,162	185,303
	<u>649,599</u>	<u>\$919,238</u>
<b>TOTAL CURRENT LIABILITIES</b>		
LONG TERM DEBT (Note G)	1,152,620	2,416,447
COMMITMENTS AND CONTINGENCIES (Note H)		
<b>NET ASSETS:</b>		
Without Donor Restrictions	2,759,639	1,018,027
With Donor Restrictions	2,485,441	2,543,507
	<u>5,245,080</u>	<u>3,561,534</u>
<b>NET ASSETS (DEFICIT) (Note I)</b>		
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<u><u>\$7,047,299</u></u>	<u><u>\$6,897,219</u></u>

See Notes to Financial Statements

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
CONSOLIDATED STATEMENTS OF ACTIVITIES  
YEARS ENDED JUNE 30, 2021 AND 2020

	Without Donor Restrictions	With Donor Restrictions	Consolidated Total 2021
<b>SUPPORT AND REVENUE</b>			
Support:			
Foundations and community organizations	\$739,369		\$739,369
Donations	287,383		287,383
In-kind donations (Note B)	198,418		198,418
<b>Total Support</b>	<b>1,225,170</b>	<b>0</b>	<b>1,225,170</b>
Revenue:			
Government	7,454,020	0	7,454,020
Rental income	541,002		541,002
Other revenue	3,927		3,927
Fundraising	37,735		37,735
Forgiveness of debt	1,544,090		1,544,090
<b>Total Revenue</b>	<b>9,580,774</b>	<b>0</b>	<b>9,580,774</b>
Net Assets Released From Restrictions	56,088	(56,088)	0
<b>TOTAL SUPPORT AND REVENUE</b>	<b>10,862,032</b>	<b>(56,088)</b>	<b>10,805,944</b>
<b>EXPENSES</b>			
Program			
San Leandro Shelter	947,383		947,383
Sister Me Home Safe house	601,665		601,665
Midway Shelter	567,646		567,646
Domestic Violence Outreach	301,834		301,834
Bessie Coleman Court Program	248,647		248,647
Housing Services	3,548,478		3,548,478
Other Program Services	1,037,361		1,037,361
Bessie Coleman Court, Inc.	951,763		951,763
<b>Total program expenses</b>	<b>8,204,777</b>		<b>8,204,777</b>
Support			
Administration	480,504		480,504
Fundraising	437,117		437,117
<b>Total support expenses</b>	<b>917,621</b>		<b>917,621</b>
<b>TOTAL EXPENSES</b>	<b>9,122,398</b>	<b>0</b>	<b>9,122,398</b>
<b>CHANGE IN NET ASSETS</b>	<b>1,739,634</b>	<b>(56,088)</b>	<b>1,683,546</b>
NET ASSETS, beginning of year	\$1,018,027	\$2,543,507	3,561,534
NET ASSETS, end of year	\$2,757,661	\$2,487,419	\$5,245,080

See Notes to Financial Statements

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES  
WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
CONSOLIDATED STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Consolidated Total
<b>SUPPORT AND REVENUE</b>			
Support:			
Foundations and community organizations	\$569,339	\$58,056	\$627,395
Donations	192,523		192,523
In-kind donations (Note B)	355,038		355,038
<b>Total Support</b>	<b>1,116,900</b>	<b>58,056</b>	<b>1,174,956</b>
Revenue:			
Government	1,209,546	4,770,002	5,979,548
Rental income	764,378	0	764,378
Other revenue	66,437	232,207	298,644
Fundraising	30,695	0	30,695
Forgiveness of debt	10,500	20,955	31,455
<b>Total Revenue</b>	<b>2,081,556</b>	<b>5,023,164</b>	<b>7,104,720</b>
Net Assets Released From Restrictions	5,058,527	(5,058,527)	0
<b>TOTAL SUPPORT AND REVENUE</b>	<b>8,256,983</b>	<b>22,693</b>	<b>8,279,676</b>
<b>EXPENSES</b>			
Program			
San Leandro Shelter	937,841		937,841
Sister Me Home Safe house	600,341		600,341
Midway Shelter	763,410		763,410
Domestic Violence Outreach	193,315		193,315
Bessie Coleman Court Program	310,207		310,207
Housing Services	2,619,306		2,619,306
Other Program Services	782,883		782,883
Bessie Coleman Court, Inc.	947,532		947,532
<b>Total program expenses</b>	<b>7,154,835</b>		<b>7,154,835</b>
Support			
Administration	680,537		680,537
Fundraising	324,654		324,654
<b>Total support expenses</b>	<b>1,005,191</b>		<b>1,005,191</b>
<b>TOTAL EXPENSES</b>	<b>8,160,026</b>	<b>0</b>	<b>8,160,026</b>
<b>CHANGE IN NET ASSETS</b>	<b>96,957</b>	<b>22,693</b>	<b>119,650</b>
NET ASSETS, beginning of year	\$921,070	\$2,520,814	3,441,884
NET ASSETS, end of year	\$1,018,027	\$2,543,507	\$3,561,534

See Notes to Financial Statements

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2021**

	San Leandro Shelter	Sister Me Home Safe House	Midway Shelter	Domestic Violence Outreach	Bessie Coleman Court Program	Housing Services	Other Program Services	Bessie Coleman Court, Inc.	Total Program	General and Administration	Fundraising	Total Support	Total
Salaries	\$498,829	\$387,832	\$277,400	\$125,337	\$168,020	\$969,342	\$332,584	\$170,215	\$2,929,559	\$185,626	\$187,245	\$372,871	\$3,302,430
Payroll taxes	43,507	33,374	23,923	10,426	13,500	85,740	28,294	14,712	253,476	19,530	16,594	36,124	289,600
Employee benefits	69,390	38,695	31,968	12,979	24,614	129,301	48,584	46,121	401,652	13,353	13,138	26,491	428,143
					0								
Total personnel expenses	<u>611,726</u>	<u>459,901</u>	<u>333,291</u>	<u>148,742</u>	<u>206,134</u>	<u>1,184,383</u>	<u>409,462</u>	<u>231,048</u>	<u>3,584,687</u>	<u>218,509</u>	<u>216,977</u>	<u>435,486</u>	<u>4,020,173</u>
Occupancy	58,723	18,990	29,919	18,767		52,752	23,120	324,124	526,395	38,844	20,097	58,941	585,336
Property management fees								0	0			0	0
Depreciation								98,088	98,088	53,266		53,266	151,354
Repairs and maintenance	42,073	19,656	31,887		1,700	160	1,635	12,160	109,271	12,697		12,697	121,968
Supplies and food	41,511	15,590	38,637	322	7,952	35,953	52,598	596	193,159	26,797	5,621	32,418	225,577
Professional services	28,289	32,888	17,350	95,589	6,111	49,800	25,518	10,853	266,398	61,073	77,331	138,404	404,802
Insurance	3,116	5,537	2,419	966	12,306	5,272	2,032	13,200	44,848	26,512	1,088	27,600	72,448
Communications	13,488	8,188	7,299	2,352	5,441	14,801	8,997	11,008	71,574	9,349	3,128	12,477	84,051
Other direct client assistance	1,111	6,991	1,137	15,713	1,721	2,108,162	472,319	229,987	2,837,141		55,740	55,740	2,892,881
Interest expense									0	2,331		2,331	2,331
Legal and accounting		6,616		1,612	1,046			11,828	21,102	40,684		40,684	61,786
Client transportation	898	73	529			6,427	246		8,173	586		586	8,759
Other expenses	2,672	6,876	7,512	12,796	340	74,178	21,457	5,279	131,110	(19,723)	48,002	28,279	159,389
Staff travel	311		1,014	26	10	5,913	1,177	636	9,087	211		211	9,298
Fundraising expenses									0		6,943	6,943	6,943
Equipment purchase and rental	5,197	3,945	10,496	4,949	3,189	10,677	16,100	2,755	57,308	6,643	1,192	7,835	65,143
Project construction	47,876								47,876			0	47,876
Merchant and bank fees								201	201	2,666	998	3,664	3,865
Temporary staffing									0			0	0
In-kind supplies and services	90,392	16,414	86,156		2,697		2,700		198,359	59		59	198,418
Total expenses	<u>\$947,383</u>	<u>\$601,665</u>	<u>\$567,646</u>	<u>\$301,834</u>	<u>\$248,647</u>	<u>\$3,548,478</u>	<u>\$1,037,361</u>	<u>\$951,763</u>	<u>\$8,204,777</u>	<u>\$480,504</u>	<u>\$437,117</u>	<u>\$917,621</u>	<u>\$9,122,398</u>

See Notes to Financial Statement



**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
**CONSOLIDATED STATEMENT OF FUNCTIONAL EXPENSES**  
**YEAR ENDED JUNE 30, 2020**

	San Leandro Shelter	Sister Me Home Safe House	Midway Shelter	Domestic Violence Outreach	Bessie Coleman Court Program	Housing Services	Other Program Services	Bessie Coleman Court, Inc.	Total Program	General and Administration	Fundraising	Total Support	Total
Salaries	\$459,765	\$345,866	\$350,065	\$69,146	\$201,314	\$655,315	\$342,733	\$146,801	\$2,571,005	\$187,208	\$184,977	\$372,185	\$2,943,190
Payroll taxes	39,097	30,561	30,508	6,051	18,256	57,905	32,714	12,499	227,591	14,463	16,657	31,120	258,711
Employee benefits	56,659	36,877	41,877	7,858	27,751	95,245	46,344	47,411	360,022	902	19,481	20,383	380,405
<b>Total personnel expenses</b>	<b>555,521</b>	<b>413,304</b>	<b>422,450</b>	<b>83,055</b>	<b>247,321</b>	<b>808,465</b>	<b>421,791</b>	<b>206,711</b>	<b>3,158,618</b>	<b>202,573</b>	<b>221,115</b>	<b>423,688</b>	<b>3,582,306</b>
Occupancy	101,132	77,069	65,545	11,218	5,667	20,285	41,580	330,725	653,221	55,956	3,426	59,382	712,603
Property management fees								0	0			0	0
Depreciation								98,087	98,087	54,830		54,830	152,917
Repairs and maintenance	5,859	575	124						6,558	5,833		5,833	12,391
Supplies and food	38,978	15,251	23,805	2,965	12,758	17,428	15,916	88	127,189	43,607	3,611	47,218	174,407
Professional services	20,660	30,142	11,963	64,923	17,110	59,933	25,044 *	11,948	241,723	172,905	59,854	232,759	474,482
Insurance	4,219	7,076	5,873		5,589	5,589	(891)	11,220	38,675	11,178	8,317	19,495	58,170
Communication	9,189	6,332	5,967	930	5,366	7,471	7,862	6,964	50,081	9,663	1,698	11,361	61,442
Other direct client assistance	275		150	7,823	125	1,629,865	182,491	272,236	2,092,965	71,701	1,200	72,901	2,165,866
Interest expense									0	14,367		14,367	14,367
Legal and accounting		5,000						*	6,549	29,306		29,306	35,855
Client transportation	569		675			493	39,469		41,206			0	41,206
Other expenses	1,915	9,379	5,109	5,624	4,597	28,886	45,989	1,134	102,633	(31,887)	21,355	(10,532)	92,101
Staff travel	1,107	324	1,570	2,916	173	14,916	4,547	671	26,224	1,956	527	2,483	28,707
Fundraising expenses									0		1,668	1,668	1,668
Equipment purchase and rental	73,757	22,525	14,228	13,861	9,320	25,975	(6,696)	6,012	158,982	34,104	618	34,722	193,704
Merchant and bank fees								187	187	1,344	1,265	2,609	2,796
Temporary staffing									0			0	0
In-kind supplies and services	124,660	13,364	205,951		2,181		5,781		351,937	3,101		3,101	355,038
<b>Total expenses</b>	<b>\$937,841</b>	<b>\$600,341</b>	<b>\$763,410</b>	<b>\$193,315</b>	<b>\$310,207</b>	<b>\$2,619,306</b>	<b>\$782,883</b>	<b>\$947,532</b>	<b>\$7,154,835</b>	<b>\$680,537</b>	<b>\$324,654</b>	<b>\$1,005,191</b>	<b>\$8,160,026</b>

See Notes to Financial Statements

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
CONSOLIDATED STATEMENT OF CASH FLOWS  
YEARS ENDED JUNE 30, 2021 AND 2020

	Total 2021	Total 2020
CASH FLOWS FROM OPERATING ACTIVITIES:		
Change in Net Assets	\$1,683,546	\$119,650
Adjustment to reconcile change in net assets to cash provided (used) by operating activities:		
Forgiveness of long term debt	(1,544,090)	(31,455)
Depreciation	151,354	152,917
	290,810	241,112
CHANGES IN CURRENT ASSETS AND CURRENT LIABILITIES		
(Increase) decrease in grants receivable	(435,429)	(286,915)
(Increase) decrease in accounts and pledges receivable	(122,380)	(9,391)
(Increase) decrease in prepaid expenses	8,884	(38,874)
(Increase) decrease in deposits	0	(22,254)
Increase (decrease) in accounts payable and accrued expenses	(76,591)	109,403
Increase (decrease) in accrued payroll expenses	(10,128)	45,432
Increase (decrease) in accrued vacation	17,890	39,468
Increase (decrease) in long term accounts payable	0	(47,889)
Increase (decrease) in client rental account		(440)
Increase (decrease) in rental security deposits	5,907	0
Increase (decrease) in contract advances	48,424	(16,855)
NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES	(272,613)	12,797
CASH FLOWS FROM INVESTING ACTIVITIES:		
Disposal of property and equipment	67,333	0
Purchase of property and Equipment	(89,522)	0
NET CASH PROVIDED (USED) BY INVESTING ACTIVITIES	(22,189)	0
CASH FLOWS FROM FINANCING ACTIVITIES:		
Increase in loans	21,352	624,995
Repayments on loans/ Line of credit	0	(200,000)
NET CASH PROVIDED (USED) BY FINANCING ACTIVITIES	21,352	424,995
NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(273,450)	\$437,792
CASH AND CASH EQUIVALENTS, beginning of year	1,229,088	791,296
CASH AND CASH EQUIVALENTS, end of year	\$955,638	\$1,229,088
SUPPLEMENTAL INFORMATION:		
Interest paid	\$2,331	\$24,429
Noncash forgiveness of debt on government loans	\$1,544,090	\$31,455

See Notes to Financial Statements

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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**NOTE A - ORGANIZATION**

General – Building Futures with Women and Children (the Organization) is a California nonprofit public benefit corporation established in 1986. The Organization’s legal name is Cornerstone Community Development Corporation. The Organization was previously known as San Leandro Shelter for Women and Children. The Organization’s mission is to build communities with underserved women and children where they are safely and supportively housed, free from homelessness and family violence. In 1999, the Organization established a wholly owned subsidiary, Bessie Coleman Court, Inc., a nonprofit public benefit corporation, to develop, own, and operate safe, decent, and affordable housing for women and children.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Accounting and Reporting - The Organization maintains its accounting records on the accrual basis of accounting.

To ensure observance of limitations and restrictions placed on the use of resources available to the Organization, the accounts of the Organization are maintained in accordance with the principles of fund accounting. Fund accounting is the procedure by which resources for the various programs are classified for accounting and reporting according to the activities and objectives specified by donors, grantors, officials and governing boards. Separate accounts are maintained for each program.

Estimates - In preparing the consolidated financial statements in conformity with Generally Accepted Accounting Principles, management must make estimates based on future events that affect the reported amounts of assets and liabilities; the disclosure of contingent assets and liabilities as of the date of the consolidated financial statements; and revenues and expenses during the reporting period. Actual results could differ from these estimates.

Cash and Cash Equivalents - The Organization's cash and cash equivalents balance consists of amounts held in checking and savings accounts in large financial institutions.

Prepaid expenses – Prepaid expenses are amortized over the period of future benefit.

Property and Equipment - Furniture and equipment are stated at cost. Donated equipment is recorded at its estimated fair market value. Expenditures for property and equipment are capitalized. Depreciation for property and equipment is calculated using the straight-line method over the useful life of each asset. The useful life of these assets ranges from three to fifty-nine years. When assets are retired or sold, the related cost and accumulated depreciation are removed from the accounts and any gain or loss

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

arising from such disposition is included as revenue or expense. Expenditures for repairs and maintenance are charged to expense as incurred.

Fair Value Measurements – Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price) in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. The Organization determines the fair values of its assets and liabilities based on a fair value hierarchy that includes three levels of inputs that may be used to measure fair value.

Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the Organization has the ability to access at the measurement date. An active market is a market in which transactions occur with sufficient frequency and volume to provide pricing information on an ongoing basis.

Level 2 inputs are inputs other than quoted prices that are observable for the asset or liability, either directly or indirectly.

Level 3 inputs are unobservable inputs for the assets or liability. Unobservable inputs reflect the Organization's own assumptions about the assumption market participants would use in pricing the asset or liability (including assumptions about risk). Unobservable inputs are developed based on the best information available in the circumstances and may include the Organization's own data.

Consolidating Eliminating Entries - Eliminating entries are present to reduce inter-company receivables and payables to avoid inflation of the total assets and total liabilities on the consolidated balance sheet.

Donated Materials and Services - Donated materials are recorded at their fair value at the date of donation. In addition, a substantial number of individuals have donated significant amounts of their time to the Organization, primarily through program activities. These services are reflected in the accompanying consolidated financial statements using a valuation of the services based on an estimate of the fair value at the time of the donation. Donated services by individuals providing administration services, and unskilled children's program and shelter services are not recorded as donated services as there are no special skills required for these services. During the year ended June 30, 2021, the Organization received over 9,100 hours of volunteer meal service for the shelter programs, and approximately 1,080 hours of volunteer administrative, children's program and shelter services. During the year ended June 30, 2020, the Organization received over 7,680 hours of volunteer meal service for the shelter programs, and approximately 3,050 hours of volunteer administrative services.

Advertising Costs – Advertising costs are expensed as incurred, the costs incurred during the year ended June 30, 2021 and 2020 were \$13,200 and \$485, respectively.

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Functional Allocation of Expenses - Costs of providing the various programs have been summarized on a functional basis in the accompanying Statement of Functional Expenses. Certain indirect costs have been allocated directly to programs and administration based upon detailed estimates prepared by management personnel and on the basis of direct hours charged to each program. Substantially all supporting services are allocated to program services based on time allocations prepared by supporting staff.

Income Taxes - The Organization is a Section 501(c)(3) organization exempt from income taxes under Section 501(a) of the Internal Revenue Code and Section 23701(d) of the California Revenue and Taxation Code. There was no taxable unrelated business income during the year ended June 30, 2021.

Contributions and Grant Revenue - Contributions received are recorded as net assets without donor restrictions or net assets with donor restrictions, depending on the existence and/or nature of any donor-imposed restrictions. Contributions that are restricted by the donor are reported as an increase in net assets without donor restrictions if the restriction expires in the reporting period in which the contribution is recognized. All other donor restricted contributions are reported as an increase in the net assets with donor restrictions, depending on the nature of restriction. When a restriction expires (that is, when a stipulated time restriction ends or a purpose restriction is accomplished), net assets with donor restrictions are reclassified to net assets without donor restrictions and reported in the statement of activities as net assets released from restrictions.

All other contributions are recognized upon receipt.

Performance revenue is recognized as earned. Amounts received but not yet earned are reported as advances. Other support and revenue, such as interest income, proceeds from fund-raising, and expenses, are accounted for using the accrual method.

The principal source of revenue for the Organization is contracts with the County of Alameda and the State of California. These contracts include federal pass-through funds, which are identified in the Schedule of Expenditures of Federal Awards.

Contributions Receivable – Unconditional promises to give that are expected to be collected within one year are recorded at net realizable value. Unconditional promises to give that are expected to be collected in future years are recorded at the present value of their estimated future cash flows. The discounts on those amounts are computed using risk-adjusted interest rates applicable to the years in which the promises are received. Discount amortization is included in contribution revenue. Conditional promises to give are not included as support until the conditions are met.

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

The principal source of revenue for the Organization is contracts with the County of Alameda and the State of California. These contracts include federal pass-through funds, which are identified in the Schedule of Expenditures of Federal Awards.

Financial Statement Presentation - The consolidated financial statements of the Organization have been prepared in accordance with U.S. generally accepted accounting principles (US GAAP), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions:

Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions:

Net assets that are subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, where by the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statement of activities.

Measure of Operations – The consolidated statement of activities reports all changes in net assets, including changes in net assets from operating and non-operating activities. Operating activities consist of those items attributable to the Organizations ongoing operations and interest and dividends earned on investments. Non-operating activities are limited to resources that generate returns from investments and other activities considered to be of a more unusual or nonrecurring nature.

NOTE C – LIQUIDITY AND AVAILABILITY

The Organization regularly monitors liquidity required to meet its operating needs, liabilities and other obligations as they become due. As of June 30, 2021, the Organization has ample cash and cash equivalents to cover operating expenses. The following assets could be readily made available within one year of the statement of financial position to meet general expenditures:

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE C – LIQUIDITY AND AVAILABILITY (Continued)

Financial assets:

Cornerstone Community Development Corporation	
Cash	\$ 808,908
Grants and accounts receivable	<u>1,512,749</u>
	2,321,657
 Bessie Coleman Court, Inc.	
Cash	150,500
Accounts receivable	<u>73,007</u>
	<u>223,507</u>
 Financial assets available within one year	<u><u>\$2,545,164</u></u>

The Organization does not have an operating reserve.

NOTE D - GRANTS, ACCOUNTS AND PLEDGES RECEIVABLE

Grants, accounts and pledges receivable at June 30, 2021 consisted of the following:

**Cornerstone Community Development Corporation:**

Funds Without Donor Restriction

Alameda County CDBG	\$ 15,496
Alameda County SSA Emergency Shelter Services	73,204
Alameda County DVCA	4,339
Alameda County DV PSH/HHIS	452,195
Alameda County DV SSO CES	8,964
Alameda Point Collaborative	16,808
CalOES	93,803
CalWORKS	126,750
CalWORKS – FVLC	16,771
City of San Leandro CDBG DV	15,618
City of San Leandro Immediate Impact	12,500
City of San Leandro SL Shelter Consulting Services	4,169
City of San Leandro Outreach	31,833
ESG State HRC	36,693
ESG City of Oakland COVID-19	8,889
HCSA Access Point	190,884
Housing/Jobs Linkages Program	17,873
HUD BCC CoC	1,810
North County Oakland HUD	86,141
Oakland PATH	147,100
Satellite Affordable Housing Assoc	11,360

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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**NOTE D - GRANTS, ACCOUNTS AND PLEDGES RECEIVABLE (Continued)**

Warming Shelter	\$ 38,134
WHSL	97,645
Miscellaneous receivables	<u>3,770</u>
Total – Without Donor Restrictions	<u>\$1,512,749</u>
Total grants, accounts and pledges receivable -BFWC	<u>\$1,512,749</u>
<b>Bessie Coleman Court, Inc.:</b>	
<b><u>Funds Without Donor Restriction</u></b>	
HAP rental income	\$ 92,705
Tenant rents	<u>37,774</u>
Total – Without Donor Restrictions	<u>\$ 130,479</u>
Total grants, accounts and pledges receivable - BCC, Inc.	<u>\$ 130,479</u>
<b>Total grants, accounts and pledges receivable</b>	<b><u>\$1,643,228</u></b>

Grants, accounts and pledges receivable at June 30, 2020 consisted of the following:

**Cornerstone Community Development Corporation:**

**Without Donor Restriction Funds**

Alameda County CDBG	\$ 20,453
Alameda County CESH	82,401
Alameda County DV PSH	33,058
Alameda Point Collaborative	8,034
CalOES	140,861
CalWORKS	103,100
CalWORKS – FVLC	9,432
City of Alameda Case Management	6,011
City of San Leandro CDBG	6,204
City of San Leandro Immediate Impact	12,500
CPSS	2,440
ESG State HRC	63,467
ESG City of Oakland COVID-19	6,057
FEMA	1,920
Housing/Jobs Linkages Program	9,928
HUD BCC CoC	3,820
Mid-County CES/Abode	106,105
North County Oakland HUD	124,119
Oakland CES	54,499



**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
**NOTES TO CONSOLIDATED FINANCIAL STATEMENTS**  
**YEARS ENDED JUNE 30, 2021 AND 2020**

**NOTE D - GRANTS, ACCOUNTS AND PLEDGES RECEIVABLE (Continued)**

Oakland PATH	\$ 6,653
Safer Ground	95,122
Satellite Affordable Housing Assoc	7,428
Warming Shelter	84,435
WHSL	<u>85,503</u>
Total – Without Donor Restrictions	<u>\$1,073,550</u>
Total grants, accounts and pledges receivable -BFWC	<u><u>\$1,073,550</u></u>
<b>Bessie Coleman Court, Inc.:</b>	
<b><u>Without Donor Restriction Funds</u></b>	
Tenant rents	<u>\$ 11,869</u>
Total – Without Donor Restrictions	<u>\$ 11,869</u>
Total grants, accounts and pledges receivable - BCC, Inc.	<u>\$ 11,869</u>
<b>Total grants, accounts and pledges receivable</b>	<b><u><u>\$1,085,419</u></u></b>

The Organization anticipates that all the grants, accounts and pledges receivable will be collected.

Management determines the allowance for uncollectable accounts receivable based on historical experience, an assessment of economic conditions, and a review of subsequent collections. Accounts receivable are written off when deemed uncollectable.

**NOTE E - PROPERTY AND EQUIPMENT**

Property and Equipment as of June 30, 2021, consisted of the following:

	<u>BFWC</u>	<u>BCC, Inc.</u>	<u>Total</u>
Building	\$ 224,069	\$ 0	\$ 224,069
Land	86,400	0	86,400
Building improvements	779,536	0	779,536
Furniture and equipment	63,845	43,417	107,262
Site Acquisition		2,298,240	2,298,240
Leasehold improvements	<u>772,862</u>	<u>2,692,575</u>	<u>3,465,437</u>
	1,926,712	5,034,232	6,960,944
Less: Accumulated Depreciation	<u>\$ 821,411</u>	<u>\$1,747,114</u>	<u>\$2,568,525</u>
	<u><u>\$1,105,301</u></u>	<u><u>\$3,287,118</u></u>	<u><u>\$4,392,419</u></u>

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE E - PROPERTY AND EQUIPMENT (Continued)

Property and Equipment as of June 30, 2020, consisted of the following:

	<u>CCDC</u>	<u>BCC, Inc.</u>	<u>Total</u>
Building	\$ 224,069	\$ 0	\$ 224,069
Land	86,400	0	86,400
Building improvements	779,536	0	779,536
Furniture and equipment	40,000	43,417	83,417
Site Acquisition		2,298,240	2,298,240
Leasehold improvements	<u>776,093</u>	<u>2,692,575</u>	<u>3,468,668</u>
	1,906,098	5,034,232	6,940,330
Less: Accumulated Depreciation	<u>769,720</u>	<u>1,649,026</u>	<u>2,418,746</u>
	<u>\$1,136,378</u>	<u>\$3,385,206</u>	<u>\$4,521,584</u>

Depreciation and amortization expense for the years ended June 30, 2021 and 2020 was \$151,354 and \$152,917, respectively.

The site acquisition cost represents the fair market value of a 59 year lease which was donated by the Naval Air Station and City of Alameda.

NOTE F – LINE OF CREDIT

The Organization obtained a line of credit with Bank of the West with a maximum borrowing limit of \$300,000. At June 30, 2021 and June 30, 2020, the interest rate on the line was 4.6%. The outstanding balance at June 30, 2021 and 2020 was \$0. This is an unsecured line of credit

The Organization also obtained a private line of credit with AHN with a maximum borrowing limit of \$150,000. No interest is charged on this line. The outstanding balance at June 30, 2021 and 2020 was \$0 and \$100,000, respectively. This is an unsecured line of credit. The loan was forgiven during the fiscal year ended June 30, 2021.

NOTE G – LONG TERM DEBT

The long term debt of the organization consisted of the following loans at June 30, 2021 and 2020. The loans below have been categorized as payable and forgivable based on the terms of each loan.

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE G – LONG TERM DEBT (Continued)

**Cornerstone Community Development Corporation:**

Cornerstone Community Development Corporation 's long term debt at June 30, 2021 and 2020 consisted of five Federal CDBG loans for the predevelopment, purchase, and improvement costs associated with the purchase of a safe house.

**Forgivable Loans:**

A loan from the City of San Leandro, in the amount of \$180,000, was received during June 1999. This loan consists of \$27,862 used towards predevelopment costs and \$152,138, used toward the safe house purchase price. The purchase of the safe house occurred during July 1999, at which time the \$152,138 was transferred to the purchase escrow account. The term of the loan is 30 years with deferred payment of principal and interest. Simple interest at the rate of 2% per annum is due on July 1, 2029. The loan (principal and interest) will be forgiven on July 1, 2029 if the Organization uses the house purchased, as a safe house, for the full term of the loan. The loan will be due if and when the safe house is sold prior to the expiration of the 30 year loan period. On July 18, 2007, the loan was amended to include retroactive forgiveness of the principal and interest on an annual basis, each June 30. 1/30<sup>th</sup> of the loan will be forgiven each year. As of July 18, 2007, eight years' of principal, totaling \$48,000 and all the accrued interest, were forgiven. The loan balance as of June 30, 2021 and 2020 was \$51,500 and \$57,000, respectively.

A loan from the City of San Leandro, in the amount of \$50,000, was received on July 1, 2008, which was increased to \$100,000 on September 25, 2012. This loan is for capital improvements to be made on the safe house. The term of the loan is 20 years from the date the loan is fully funded (July 1, 2013), with deferred payment of principal and interest. Simple interest at the rate of 3% per annum is due on the loan. The loan (principal and interest) will be forgiven on an annual basis at a rate of 1/20 of the principal and interest, beginning on the anniversary of the Forgiveness Commencement Date (July 1, 2013). The loan will be due if and when the safe house is sold prior to the expiration of the 20 year loan period. The balance of the loan at June 30, 2021 and 2020 was \$65,000 and \$70,000, respectively.

A loan from the California Department of Housing and Community Development, in the amount of \$459,213, was received on January 22, 2013. This loan is for capital improvements to be made to the safe house. The term of the loan is 7 years from the date the Notice of Completion is recorded, with deferred payment of principal and interest. Simple interest at the rate of 3% per annum is due on the loan. The loan (principal and interest) will be forgiven at the maturity date of the Note. The loan will be due if and when the safe house is sold prior to the expiration of the 7 year loan period.

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE G – LONG TERM DEBT (Continued)

The loan was forgiven on February 24, 2021. The loan balance as of June 30, 2021 and 2020, was \$0 and \$459,213, respectively.

A loan, in the amount of \$305,160, was obtained from the County of Alameda on June 6, 2013, for the rehabilitation of the safe house and the refinance of two loans above in the amounts of \$55,660 and 149,500 originally obtained for the purchase of the safe house. The term of the loan is 44 and one half years with deferred payment of principal and interest. The loan will accrue simple interest at 3% per annum beginning on July 1, 2013 and is secured by a Deed of Trust from the Organization. The note will mature on December 31, 2058 or upon the sale, transfer, conveyance, assignment, encumbrance, change of use, or refinance of the property in violation of the Regulatory Agreement or Deed of Trust. If the property is used for its stated purpose for the life of the loan, the loan will be forgiven at its maturity. The loan balance as of both, June 30, 2021 and 2020, was \$305,160.

The Organization obtained a Paycheck Protection Program loan, in the amount of \$624,995, from the Small Business Association which was made available as part of the federal Coronavirus Relief package in May 2020. The loan was forgiven on April 20, 2021, with no interest charged, based on the use of the funds.

A loan from the City of San Leandro, in the amount of \$143,725, was approved on August 1, 2020. This loan is for capital improvements to be made on the San Leandro Shelter, located at 501 Davis St. The term of the loan is 10 years from the date the loan is fully funded (Effective Date), with deferred payment of principal and interest. Simple interest at the rate of 3% per annum is due on the loan. The loan (principal and interest) will be forgiven on an annual basis at a rate of 1/10 of the principal and interest, beginning on the anniversary of the Effective Date. The loan will be due if and when the property is no longer used as a shelter prior to the expiration of the 10 year loan period. The balance of the loan at June 30, 2021 and 2020 was \$3,770 and \$0, respectively.

The Organization obtained a loan in the amount of \$23,844 as part of the purchase of a vehicle on April 2, 2021. The loan term is 36 months with the maturity date of April 2, 2024. Monthly payments of \$716 are due on the second day of each month. The interest rate is 5.05% per annum, compounded daily. The loan balance as of June 30, 2021 was \$21,352

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE G – LONG TERM DEBT (Continued)

**Bessie Coleman Court, Inc.:**

Bessie Coleman Court, Inc.'s long term debt, at June 30, 2021, consisted of four loans for the predevelopment, purchase, and improvement costs associated with the redevelopment of supportive housing units located on the Alameda Naval Air Station, now known as Alameda Point.

Payable Loans:

The first loan is from Alameda County, in the amount of \$700,000. The loan funds are made up of \$400,000 HUD SHP funding, \$156,000 Alameda County Housing Trust Fund and \$144,000 of Urban County HOME funds. The terms of the loan are 0% interest with the first payment deferred until December 30, 2010. Beginning January 1, 2011, repayment will be the lesser of \$14,285 or 100% of the residual cash flow from the rental project annually.

	<u>2021</u>	<u>2020</u>
Total due at June 30,	<u>\$700,000</u>	<u>\$700,000</u>
Long term debt	<u>\$700,000</u>	<u>\$700,000</u>

Forgivable Loans:

The second loan is in the amount of \$337,737 from the Bank of the West REID/Community Development Lending. The note was dated June 1, 2005. The terms of the loan are 0% interest with no payments due during the 15 year period commencing on the date of project completion. At the end of the 15 year period, the loan shall be forgiven provided that the Leasehold Estate has been in compliance with the AHP requirements throughout the loan period. The note was forgiven in January 2021.

	<u>2021</u>	<u>2020</u>
Total due at June 30,	<u>\$0</u>	<u>\$337,737</u>
Long term debt	<u>\$0</u>	<u>\$337,737</u>

The third loan, dated September 4, 2009, is in the amount of \$86,000 from the City of Alameda, CDBG loan for rehabilitation work on the property. The terms of the loan are 0% interest with no payments. This loan will be forgiven in ten equal annual installments, beginning on January 1, 2011, with the final forgiveness on January 1, 2020.

	<u>2021</u>	<u>2020</u>
Total due at June 30,	<u>\$0</u>	<u>\$0</u>
Long term debt	<u>\$0</u>	<u>\$0</u>

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE G – LONG TERM DEBT (Continued)

The fourth loan, dated February 19, 2014, is in the amount of \$120,000 from the City of Alameda, CDBG loan for rehabilitation work on the property known as Bessie Coleman Court. The terms of the loan are 0% interest with no payments. This loan will be forgiven in ten equal annual installments, beginning on January 1, 2015, with the final forgiveness on January 1, 2024. The note will be due and payable upon the sale, transfer, conveyance, and assignment encumbrance or change of use of the property. As of June 30, 2021, \$123,552 of the loan was utilized and funded.

	<u>2021</u>	<u>2020</u>
Total due at June 30,	<u>\$36,000</u>	<u>\$47,645</u>
Long term debt	<u>\$36,000</u>	<u>\$47,645</u>

Aggregate maturities on long-term debt for each of the next five years and subsequent periods are as follows:

Year Ended June 30,

	<u>CCDC</u>	<u>BCC, Inc.</u>	<u>Total</u>
2022	\$ 18,162	\$ 12,000	\$ 30,162
2023	18,558	12,000	30,558
2024	16,132	12,000	28,132
2025	10,500	0	10,500

	<u>CCDC</u>	<u>BCC, Inc.</u>	<u>Total</u>
2026	10,500	0	10,500
Subsequent	<u>372,930</u>	<u>700,000</u>	<u>1,069,160</u>
	<u>\$446,782</u>	<u>\$736,000</u>	<u>\$1,179,012</u>

NOTE H - COMMITMENTS AND CONTINGENCIES

The Organization deems the default of any of the above notes due to unallowed operations remote since the use of the safe house and Bessie Coleman Court property facilitates the mission of the Organization.

On March 18, 2020 the Organization entered into a lease, with a term of 4 years and 9 months, with Terreno Realty Corporation for the lease of office space at 2800 Merced St. The lease ends on December 31, 2024. There is a lease renewal option for 5 additional years. Base rent is \$9,886.25 with annual increases of 3%. The lease also provides for the Organization to pay a share of the building's operating expenses.

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE H - COMMITMENTS AND CONTINGENCIES (Continued)

The Organization conducts its operation in San Leandro on premises leased from St. Leander's Catholic Church at \$3,500 per month. Beginning in year 2 of the lease the lease cost will increase 3% each year. The current lease expires on February 28, 2025.

The Organization leases the Midway shelter site, at \$0.

The Organization leases two copy machines for \$198 per month through May 18, 2026.

The Organization leases one copy machines for \$161 per month through May 8, 2025.

The Organization leases two copy machines for \$772 per month through June 1, 2025.

The Organization entered into an operating agreement with Alameda Homeless Network to operate the Midway shelter on October 1, 2000. As part of the agreement, Alameda Homeless Network will grant the Organization \$50,000 or 18% of the operating costs, whichever is greater, per year, to be used for the operation of the program. The agreement was amended to increase the Alameda Homeless Network grant to \$80,000 beginning with the year ended June 30, 2010.

Bessie Coleman Court, Inc. entered into a 59 year lease, on April 23, 1999, for sublease of the buildings 531, 532, and 533 along with the adjacent open space and parking area, now known as Bessie Coleman Court, at Alameda Point. The lease was donated and no future annual cost is to be incurred by Bessie Coleman Court, Inc.

The Organization rents the remainder of its program space on a month to month basis, renewable annually. Rent expenses for the years ended June 30, 2021 and 2020 amounted to \$142,188 and \$125,212, respectively.

The following is a schedule, by year, of future minimum rentals under the leases at June 30, 2021:

<u>Year</u>	<u>Amount</u>
2022	\$180,681
2023	185,694
2024	190,857
2025	110,755
2026	1,980

Grant awards require the fulfillment of certain conditions as set forth in the instruments of grant. Failure to fulfill the conditions could result in the return of the funds to the grantors. The Organization deems this contingency remote since by accepting the grants and their terms it has accommodated the objectives of the organization to the

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE H - COMMITMENTS AND CONTINGENCIES (Continued)

provisions of the grant. Management is of the opinion that the organization has complied with the terms of all grants.

The Organization receives a substantial amount of its support from the State of California, Alameda County, City of Oakland, City of San Leandro and the City of Alameda. The Organization's programs and activities are dependent upon the availability of these funds. A significant reduction in the level of government support may impact the ability of the Organization to remain a going concern. The amount that would be considered a significant reduction in funding from government agencies cannot be determined as of the consolidated financial statement date.

NOTE I – NET ASSETS

At June 30, the Organization's net assets with donor restrictions consisted of the following grants:

	<u>2021</u>	<u>2020</u>
<i>Cornerstone Community Development Corporation</i>		
Community Initiatives	\$ 0	\$58,066
Total Temporarily Restricted Net Assets	<u>\$ 0</u>	<u>\$58,066</u>
<i>BCC, Inc.</i>		
Net Property and Equipment	<u>\$2,485,441</u>	<u>\$2,485,441</u>

Net Assets released from restrictions during the year ended June 30, consisted of the following:

	<u>2021</u>	<u>2020</u>
Satisfaction of purpose restriction:		
<i>Cornerstone Community Development Corporation</i>		
Alameda Homeless Network	\$	\$ 10,000
Children's Support League of the East Bay		10,000
Supportive Housing Programs		53,500
Shelter Programs		1,710,188
Housing Programs		2,402,038
Bessie Coleman Court Services		250,067
Domestic Violence Prevention		528,856
Community Initiatives	<u>58,066</u>	<u>\$ 0</u>
Total net assets released from donor restrictions	<u>\$58,066</u>	<u>\$4,964,649</u>



**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS  
YEARS ENDED JUNE 30, 2021 AND 2020

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NOTE I – NET ASSETS (Continued)

Satisfaction of purpose restriction:

*BCC, Inc.*

Supportive Housing	\$47,550	\$47,550
Net Property and Equipment	<u>46,328</u>	<u>46,328</u>
Total net assets released from donor restrictions	<u>\$93,878</u>	<u>\$93,878</u>

NOTE J – SUBSEQUENT EVENTS

These consolidated financial statements were approved by the management of the Organization and available for issuance on January 18, 2022. The Organization has evaluated subsequent events through January 18, 2022.

The Covid-19 pandemic, whose effects first became known in January 2020, is having a broad and negative impact on commerce and financial markets around the world. The United States and global markets experienced significant declines in value resulting from uncertainty caused by the pandemic. The Organization is closely monitoring its liquidity and is actively working to minimize the impact of these declines. The extent of the impact of the COVID-19 on the Organization's operational and financial performance will depend on certain developments, including the duration and spread of the outbreak and its impacts on the Organization's customers, participants, employees, and vendors, all of which at present, cannot be determined. Accordingly, the extent to which COVID-19 may impact the Organization's financial position, changes in net assets, and cash flows is uncertain and the accompanying consolidated financial statements include no adjustments relating to the effects of this pandemic.

## **ADDITIONAL INFORMATION**

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH  
WOMEN AND CHILDREN, AND SUBSIDIARY  
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE COUNTY AND CITY AWARDS  
YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor</b> Pass-through Grantor/State Pass-through Grantor/County Program Title	<b>Federal CFDA Number</b>	<b>Pass-through Grantor's Contract Number</b>	<b>Contract Period</b>	<b>Award Amount</b>	<b>Amount Expended</b>
<b>FEDERAL AWARDS:</b>					
<b>Department of Housing and Urban Development</b>					
Passed through State of California Emergency Solutions Grant Program					
ESG State San Leandro	14.231	C-20359	7/1/20-6/30/21	\$99,826	\$115,126
ESG State Midway	14.231	C-20359	7/1/20-6/30/21	99,826	52,786
ESG State HRC	14.231	C-20359	7/1/20-6/30/21	133,101	88,622
				<u>332,753</u>	<u>256,534</u>
Passed through City of Oakland Transitional housing & support services for North County PATH					
	14.231	88165	7/1/20-6/30/21	256,319	193,182
Subtotal	14.231			<u>589,072</u>	<u>449,716</u>
Passed through Alameda Point Collaborative Supportive Housing Program Admin					
	14.235	N/A	7/1/20-6/30/21	85,000	59,971
			7/1/20-6/30/21	28,800	28,800
Subtotal	14.235			<u>113,800</u>	<u>88,771</u>
Permanent Supportive Housing Program					
Permanent Supportive Housing Program	14.267	CA1467L9T021904	10/1/20 - 9/30/21	250,546	23,768
Permanent Supportive Housing Program	14.267	CA1467L9T021803	10/1/19 - 9/30/20	270,586	
HUD CoC - DV SSO CES					
HUD CoC - DV SSO CES	14.267	CA1738D9T021800	9/1/19-8/31/20	160,137	64,263
HUD CoC - DV SSO CES	14.267	CA1738D9T021901	1/1/21-12/31/21	160,137	64,117
Passed through Satellite Affordable Housing Agency Redwood Hills - CoC					
	14.267	N/A	7/1/20-6/30/21	61,626	61,133
Passed through Alameda County Passed through Abode Services HUD CoC Mid County CES					
	14.267	7286	7/1/20-12/31/20	369,786	219,070
Passed through Alameda County Housing and Community Development Program					
Supportive Housing Program - Linkages	14.267	19759	3/01/20-2/28/21	47,340	29,725
Supportive Housing Program - Linkages	14.267	21777	3/1/21-2/28/22	47,340	17,873
Passed through Alameda County Tenant-based rental assist & supportive services					
Tenant-based rental assist & supportive services	14.267	C-19981	12/1/20-11/30/21	648,746	338,420
Tenant-based rental assist & supportive services	14.267	C-18049	12/1/19-11/30/20	683,199	230,444
Passed through City of Oakland Community Development Block Grant					
Community Development Block Grant	14.267	87631	11/1/20-10/31/21	775,051	242,108
Community Development Block Grant	14.267	87631	11/1/19-10/31/20	429,460	76,462
Subtotal	14.267			<u>3,903,954</u>	<u>1,367,383</u>
Passed through City of San Leandro Community Development Block Grant					
Community Development Block Grant	14.218	58570	7/1/20-6/30/21	25,000	25,000
Passed through City of San Leandro Community Development Block Grant Capital Improvement Loan					
Capital Improvement Loan	14.218		08/1/20-6/30/22	143,725	3,770
Passed through City of Alameda Community Development Block Grant Emergency Homeless Shelter - Midway					
Emergency Homeless Shelter - Midway	14.218	N/A	7/1/20-06/30/21	82,899	55,619
Total CDBG Entitlement Grants Cluster	14.218			<u>251,624</u>	<u>84,389</u>

See Notes to Additional Information

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH  
WOMEN AND CHILDREN, AND SUBSIDIARY  
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE COUNTY AND CITY AWARDS  
YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor</b> Pass-through Grantor/State Pass-through Grantor/County Program Title	<b>Federal CFDA Number</b>	<b>Pass-through Grantor's Contract Number</b>	<b>Contract Period</b>	<b>Award Amount</b>	<b>Amount Expended</b>
<b>Department of Homeland Security</b>					
Passed through United Way of America Emergency Food and Shelter Program	97.024	Phase 37	6/1/20-5/31/21	42,053	42,053
Emergency Food and Shelter Program	97.024	Phase 38	6/1/20-10/31/21	32,520	8,741
				<u>74,573</u>	<u>50,794</u>
<b>Department of Health and Human Services</b>					
Passed Through State of California California Office of Emergency Services Domestic Violence Assistance Program-FVPS	93.671	DV19 19 1770	10/1/19-9/30/20 *	273,108	47,834
Domestic Violence Assistance Program-FVPC	93.671	DV19 19 1770	10/1/19-9/30/20	38,119	6,652
				<u>311,227</u>	<u>54,486</u>
Passed through Alameda County Passed through Abode Services Medi-Cal Assistance Program - AC3 Oakland CES	93.778	88165	7/01/20-12/31/20	143,491	116,206
Total Medicaid Cluster				<u>143,491</u>	<u>116,206</u>
<b>Department of Justice</b>					
Passed Through State of California California Office of Emergency Services Domestic Violence Assistance Program-VOCA	16.575	DV20-20-1770	10/1/20-9/30/22	335,607	272,170
Domestic Violence Assistance Program-VOCA	16.575	DV19 19 1770	10/1/19-9/30/20	53,104	9,317
				<u>388,711</u>	<u>281,487</u>
Total Federal Awards				<u>5,776,452</u>	<u>2,493,232</u>
<b>STATE AWARDS:</b>					
Passed through Family Violence Law Center Passed through Alameda County Workforce and Resource Development CalWORKS Domestic Violence Services	N/A	900177	7/1/19-6/30/20	70,000	52,327
California Office of Emergency Services Domestic Violence Assistance Program-CDVV	N/A				
Domestic Violence Assistance Program-CDVV	N/A	DV19 19 1770	10/1/19-9/30/20	1,956	0
California Office of Emergency Services Domestic Violence Assistance Program-DVPO	N/A	DV19 19 1770	10/1/19-9/30/20	201,981	54,611
Domestic Violence Assistance Program-DVPO	N/A	DV20-20-1770	10/1/20-9/30/22	201,980	71,508
Total State Awards				<u>\$475,917</u>	<u>\$178,446</u>
<b>COUNTY AWARDS:</b>					
Social Services Agency CalWORKS Housing Support Program Rapid Rehousing Program	N/A	20419	07/1/20-06/30/21	\$980,924	\$796,735
Social Services Agency Shelter Services Emergency Shelters Programs	N/A	19899	07/1/20-06/30/21	890,651	890,651
Social Services Agency Emergency Warming Shelter	N/A	21379	1/1/21-5/31/21	100,000	82,566

See Notes to Additional Information

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH  
WOMEN AND CHILDREN, AND SUBSIDIARY**  
SCHEDULE OF EXPENDITURES OF FEDERAL, STATE COUNTY AND CITY AWARDS  
YEAR ENDED JUNE 30, 2021

<b>Federal Grantor</b> Pass-through Grantor/State Pass-through Grantor/County Program Title	Federal CFDA Number	Pass-through Grantor's Contract Number	Contract Period	Award Amount	Amount Expended
Emergency Warming Shelter	N/A	21417	10/15/20-5/31/21	57,867	20,954
Passed through Alameda County Special Welfare Programs					
Domestic Violence Center Act, Shelter Services	N/A	19146	7/1/20-12/31/20	16,272	16,272
Domestic Violence Center Act, Shelter Services	N/A	20917	1/1/21-6/20/23	65,088	13,018
Health Care Services Agency Health Housing and Integrated Services	N/A	19755	4/1/20-12/31/21	1,306,500	518,445
Housing and Community Development HEAP	N/A	19097	11/1/19-6/30/21	487,862	190,754
Health Care Services Agency Operation Safer Grounds	N/A	19755	5/1/20-1/31/21	739,533	409,014
Health Care Services Agency Access Point	N/A	22376	1/1/21-12/31/21	560,885	190,884
Total County Awards				<u>\$5,205,582</u>	<u>\$3,129,293</u>
<b>CITY AWARDS:</b>					
City of San Leandro San Leandro Shelter	N/A	58571	7/1/20-6/30/21	\$25,000	\$25,000
City of San Leandro Parks and Recreation	N/A	58602	7/1/20-6/30/21	25,000	25,000
City of San Leandro Homeless Outreach Services	N/A	58757	3/24/21-6/30/21	49,000	31,833
City of Alameda Case Management	N/A	2000412	7/1/20-6/30/21	25,000	6,641
City of Alameda Warming Shelter	N/A		12/1/20-3/31/21	62,301	62,301
City of Alameda Rent Relief	N/A	788170355	7/1/20-6/30/21	713,000	754,077
City of Oakland ESG Covid 19	N/A	88075		160,000	153,069
City of Oakland OPRI	N/A	88290	7/1/20-6/30/21	1,405,948	140,073
Total City Awards				<u>\$2,465,249</u>	<u>\$1,197,994</u>

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH  
WOMEN AND CHILDREN, AND SUBSIDIARY  
SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
YEAR ENDED JUNE 30, 2021**

<b>Federal Grantor</b> Pass-through Grantor/State Pass-through Grantor/County Program Title	Federal CFDA Number	Pass-through Grantor's Contract Number	Contract Period	Award Amount	Amount Expended
<b>BESSIE COLEMAN COURT, INC.</b>					
<b>FEDERAL AWARDS:</b>					
<b>Department of Housing and Urban Development</b>					
Permanent Supportive Housing Program	14.267	CA1467L9T021904	10/1/20 - 9/30/21	\$250,546	\$203,505
	14.267	CA1467L9T021803	10/1/19 - 9/30/20	270,586	255,321
				<u>521,132</u>	<u>458,826</u>
Passed through County of Alameda Supportive Housing Loan Funds	14.228	N/A	01/1/00-12/31/59	400,000	0
Passed through City of Alameda CDBG Loan			02/19/14-01/01/25	120,000	0
Total Federal Awards				<u>\$1,041,132</u>	<u>\$458,826</u>
<b>COUNTY AWARDS:</b>					
Urban County HOME Loan Funds	N/A	N/A	01/1/00-12/31/2059	144,000	0
Alameda County Housing Trust Loan Fund	N/A	N/A	01/1/00-12/31/2059	156,000	0
Total County Awards				<u>\$300,000</u>	<u>\$0</u>
Total Awards				<u>\$1,341,132</u>	<u>\$458,826</u>

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH  
WOMEN AND CHILDREN, AND SUBSIDIARY**  
COMBINING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2021

			Bessie Coleman Court, Inc.		Consolidated Eliminating Entries	Total 2021
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
<b>ASSETS</b>						
<b>CURRENT ASSETS:</b>						
Cash and cash equivalents	\$688,111	\$120,797	\$123,426	\$27,074	\$	\$959,408
Grants receivable (Note D)	1,508,979					1,508,979
Accounts and pledges receivable (Note D)	3,770		130,479			134,249
Prepaid expenses	29,990					29,990
<b>TOTAL CURRENT ASSETS</b>	<b>2,230,850</b>	<b>120,797</b>	<b>253,905</b>	<b>27,074</b>	<b>0</b>	<b>2,632,626</b>
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization at June 30, 2021 of \$2,570,099 (Note E)	1,105,301		65,677	3,221,441		4,392,419
DEPOSITS	22,254					22,254
<b>TOTAL ASSETS</b>	<b>\$3,358,405</b>	<b>\$120,797</b>	<b>\$319,582</b>	<b>\$3,248,515</b>	<b>\$0</b>	<b>\$7,047,299</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts payable and accrued expenses	\$144,606	\$	\$39,800	\$		\$184,406
Accrued payroll expenses	133,840					133,840
Accrued vacation	153,320					153,320
Client rental account						0
Rental security deposits				27,074		27,074
Contract Advances		120,797				120,797
Current portion of long term debt (Note G)	18,162			12,000		30,162
<b>TOTAL CURRENT LIABILITIES</b>	<b>449,928</b>	<b>120,797</b>	<b>39,800</b>	<b>39,074</b>	<b>0</b>	<b>649,599</b>
LONG TERM DEBT (Note G)	428,620			724,000		1,152,620
COMMITMENTS AND CONTINGENCIES (Note H)						
NET ASSETS (DEFICIT) (Note I)	2,479,857	0	279,782	2,485,441		5,245,080
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$3,358,405</b>	<b>\$120,797</b>	<b>\$319,582</b>	<b>\$3,248,515</b>	<b>\$0</b>	<b>\$7,047,299</b>

See Notes to Additional Information

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH  
WOMEN AND CHILDREN, AND SUBSIDIARY**  
COMBINING STATEMENT OF FINANCIAL POSITION  
JUNE 30, 2020

			Bessie Coleman Court, Inc.		Consolidated Eliminating Entries	Total 2020
	Without Donor Restrictions	With Donor Restrictions	Without Donor Restrictions	With Donor Restrictions		
<b>ASSETS</b>						
<b>CURRENT ASSETS:</b>						
Cash and cash equivalents	\$886,577	\$130,439	\$5,288	\$206,784	\$	\$1,229,088
Grants receivable (Note D)	1,073,550					1,073,550
Accounts and pledges receivable (Note D)			11,869			11,869
Prepaid expenses	38,874					38,874
<b>TOTAL CURRENT ASSETS</b>	<b>1,999,001</b>	<b>130,439</b>	<b>17,157</b>	<b>206,784</b>	<b>0</b>	<b>2,353,381</b>
PROPERTY AND EQUIPMENT, net of accumulated depreciation and amortization at June 30, 2020 of \$2,418,746. (Note E)	1,136,378			3,385,206		4,521,584
DEPOSITS	22,254					22,254
<b>TOTAL ASSETS</b>	<b>\$3,157,633</b>	<b>\$130,439</b>	<b>\$17,157</b>	<b>\$3,591,990</b>	<b>\$0</b>	<b>\$6,897,219</b>
<b>LIABILITIES AND NET ASSETS</b>						
<b>CURRENT LIABILITIES:</b>						
Accounts payable and accrued expenses	\$177,746	\$	\$83,251	\$		\$260,997
Accrued payroll expenses	143,968					143,968
Accrued vacations	135,430					135,430
Rental security deposits				21,167		21,167
Contract Advances		72,373				72,373
Line of credit (Note F)	100,000					100,000
Current portion of long term debt (Note G)	172,948			12,355		185,303
<b>TOTAL CURRENT LIABILITIES</b>	<b>730,092</b>	<b>72,373</b>	<b>83,251</b>	<b>33,522</b>	<b>0</b>	<b>919,238</b>
LONG TERM DEBT (Note G)	1,343,420			1,073,027		2,416,447
COMMITMENTS AND CONTINGENCIES (Note H)						
NET ASSETS (DEFICIT) (Note I)	1,084,121	58,066	(66,094)	2,485,441		3,561,534
<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$3,157,633</b>	<b>\$130,439</b>	<b>\$17,157</b>	<b>\$3,591,990</b>	<b>\$0</b>	<b>\$6,897,219</b>

See Notes to Additional Information



**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES  
WITH WOMEN AND CHILDREN, AND SUBSIDIARY  
COMBINING STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2021**

	Without Donor Restrictions	With Donor Restrictions	Bessie Coleman Court, Inc.		Consolidated Eliminating Entries	Total 2021
			Without Donor Restrictions	With Donor Restrictions		
<b>SUPPORT AND REVENUE</b>						
Support:						
Foundations and community organizations	\$739,369		\$	\$	\$	\$739,369
Donations	287,383					287,383
In-kind donations (Note B)	198,418					198,418
Total Support	1,225,170	0	0	0	0	1,225,170
Revenue:						
Government	6,995,194		458,826			7,454,020
Rental income			541,002			541,002
Other revenue	55,498		4,589		(56,160)	3,927
Fundraising	37,735					37,735
Forgiveness of debt	1,194,708		349,382			1,544,090
Total Revenue	8,283,135	0	1,353,799	0	(56,160)	9,580,774
Net Assets Released From Restrictions	58,066	(58,066)	0			0
<b>TOTAL SUPPORT AND REVENUE</b>	<b>9,566,371</b>	<b>(58,066)</b>	<b>1,353,799</b>		<b>(56,160)</b>	<b>10,805,944</b>
<b>EXPENSES</b>						
Program						
San Leandro Shelter	947,383					947,383
Sister Me Home Safe house	601,665					601,665
Midway Shelter	567,646					567,646
Domestic Violence Outreach	301,834					301,834
Bessie Coleman Court Program	248,647					248,647
Housing Services	3,548,478					3,548,478
Other Program Services	1,037,361					1,037,361
Bessie Coleman Court, Inc.			1,007,923		(56,160)	951,763
Total program expenses	7,253,014		1,007,923		(56,160)	8,204,777
Support						
Administration	480,504					480,504
Fundraising	437,117					437,117
Total support expenses	917,621		0		0	917,621
<b>TOTAL EXPENSES</b>	<b>8,170,635</b>	<b>0</b>	<b>1,007,923</b>	<b>0</b>	<b>(56,160)</b>	<b>9,122,398</b>
CHANGE IN NET ASSETS	1,395,736	(58,066)	345,876	0	0	1,683,546
NET ASSETS, beginning of year	1,084,121	58,066	(66,094)	2,485,441	0	3,561,534
NET ASSETS, end of year	<u>\$2,479,857</u>	<u>\$0</u>	<u>\$279,782</u>	<u>\$2,485,441</u>	<u>\$0</u>	<u>\$5,245,080</u>

See Notes to Additional Information

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES  
WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
COMBINING STATEMENT OF ACTIVITIES  
YEAR ENDED JUNE 30, 2020

	Without Donor Restrictions	With Donor Restrictions	Bessie Coleman Court, Inc.		Consolidated Eliminating Entries	Total 2020
			Without Donor Restrictions	With Donor Restrictions		
<b>SUPPORT AND REVENUE</b>						
Support:						
Foundations and community organizations	\$569,339	\$58,056	\$	\$	\$	\$627,395
Donations	192,523					192,523
In-kind donations (Note B)	355,038					355,038
<b>Total Support</b>	<b>1,116,900</b>	<b>58,056</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1,174,956</b>
Revenue:						
Government	1,015,146	4,722,452	194,400	47,550		5,979,548
Rental income			764,378			764,378
Other revenue	119,062	232,207	3,535		(56,160)	298,644
Fundraising	30,695					30,695
Forgiveness of debt	10,500			20,955		31,455
<b>Total Revenue</b>	<b>1,175,403</b>	<b>4,954,659</b>	<b>962,313</b>	<b>68,505</b>	<b>(56,160)</b>	<b>7,104,720</b>
Net Assets Released From Restrictions	4,964,649	(4,964,649)	93,878	(93,878)		0
<b>TOTAL SUPPORT AND REVENUE</b>	<b>7,256,952</b>	<b>48,066</b>	<b>1,056,191</b>	<b>(25,373)</b>	<b>(56,160)</b>	<b>8,279,676</b>
<b>EXPENSES</b>						
Program						
San Leandro Shelter	937,841					937,841
Sister Me Home Safe house	600,341					600,341
Midway Shelter	763,410					763,410
Domestic Violence Outreach	193,315					193,315
Bessie Coleman Court Program	310,207					310,207
Housing Services	2,619,306					2,619,306
Other Program Services	782,883					782,883
Bessie Coleman Court, Inc.			1,003,692		(56,160)	947,532
<b>Total program expenses</b>	<b>6,207,303</b>		<b>1,003,692</b>		<b>(56,160)</b>	<b>7,154,835</b>
Support						
Administration	640,481		40,056			680,537
Fundraising	324,654					324,654
<b>Total support expenses</b>	<b>965,135</b>		<b>40,056</b>		<b>0</b>	<b>1,005,191</b>
<b>TOTAL EXPENSES</b>	<b>7,172,438</b>	<b>0</b>	<b>1,043,748</b>	<b>0</b>	<b>(56,160)</b>	<b>8,160,026</b>
CHANGE IN NET ASSETS	84,514	48,066	12,443	(25,373)	0	119,650
NET ASSETS, beginning of year	\$999,607	\$10,000	(\$78,537)	\$2,510,814	0	3,441,884
NET ASSETS, end of year	<u>\$1,084,121</u>	<u>\$58,066</u>	<u>(\$66,094)</u>	<u>\$2,485,441</u>	<u>\$0</u>	<u>\$3,561,534</u>

See Notes to Additional Information

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
NOTES TO ADDITIONAL INFORMATION  
YEAR ENDED JUNE 30, 2021

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NOTE A – BASIS OF PRESENTATION

The accompanying schedule of expenditures of federal awards includes the federal grant activity of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*. Therefore, some amounts presented in this schedule may differ from amounts presented in, or used in the preparation of, the basic consolidated financial statements.

NOTE B – FEDERAL EXPENDITURES

Expenditures reported on the schedule are reported on the accrual basis of accounting. Such expenditures are recognized following the cost principles contained in the Uniform Guidance, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

The amount of federal expenditures represents the amount of federal funds expended during the fiscal year ended June 30, 2021. A threshold of \$750,000 was used to distinguish between Type A and Type B programs as those terms are defined in Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements*. The Organization's major federal award programs were:

Continuum of Care Grant Program

CFDA #14.267

The Organization has elected to use the 10 percent de minimis indirect cost rate as allowed under the Uniform Guidance.

## **ADDITIONAL REPORTS**



*Patricia A. Wintroath, CPA*

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in accordance with *Government Auditing Standards*

Board of Directors  
Cornerstone Community Development Corporation  
dba Building Futures with Women  
and Children, and Subsidiary  
San Leandro, California 94577

I have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the consolidated financial statements of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary (a nonprofit organization), which comprise the statement of financial position as of June 30, 2021, and the related statements of activities, functional expenses and cash flows for the year then ended, and the related notes to the consolidated financial statements, and have issued my report thereon dated January 18, 2022.

Internal Control Over Financial Reporting

In planning and performing my audit of the consolidated financial statements, I considered Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing my opinion on the consolidated financial statements, but not for the purpose of expressing an opinion on the effectiveness of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's internal control. Accordingly, I do not express an opinion on the effectiveness of the Organization's internal control.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A material weakness is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's consolidated financial statements will not be prevented, or detected and corrected on a timely basis. A significant deficiency is a deficiency, or combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

My consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during my audit I did not identify any deficiencies in internal control that I

consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's consolidated financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations contracts and grant agreements, noncompliance with which could have a direct and material effect on the consolidated financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

### Purpose of this Report

The purpose of this report is solely to describe the scope of my testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the organization's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the organization's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.



Patricia A. Wintroath, CPA  
Walnut Creek, CA

January 18, 2022



*Patricia A. Wintroath, CPA*

Independent Auditor's Report on Compliance for Each Major Program and on Internal Control  
over Compliance Required by the Uniform Guidance

Board of Directors  
Cornerstone Community Development Corporation  
dba Building Futures with Women  
and Children, and Subsidiary  
San Leandro, California 94577

Report on Compliance for Each Major Federal Program

I have audited Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's major federal programs for the year ended June 30, 2021. Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

My responsibility is to express an opinion on compliance for each of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's major federal programs based on my audit of the types of compliance requirements referred to above. I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances.

I believe that my audit provides a reasonable basis for my opinion on compliance for each major federal program. However, my audit does not provide a legal determination on Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's compliance.

Opinion on Each Major Federal Program

In my opinion, Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary complied, in all material respects, with the types of compliance

requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended June 30, 2021.

### Internal Control over Compliance

Management of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing my audit of compliance, I considered Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine my auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, I do not express an opinion on the effectiveness of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary's internal control over compliance.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A material weakness in internal control over compliance is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A significant deficiency in internal control over compliance is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

My consideration of the internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. I did not identify any deficiencies in internal control over compliance that I consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of my testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

*Patricia A. Wintroath, CPA*

Patricia A. Wintroath, CPA  
Walnut Creek, CA  
January 18, 2022



**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY**  
**SCHEDULE OF FINDINGS AND QUESTIONED COSTS**  
**YEAR ENDED JUNE 30, 2021**

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**SUMMARY OF AUDIT RESULTS**

1. The auditor's report expresses an unqualified opinion on the consolidated financial statements of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary
2. No significant deficiencies relating to the audit of the consolidated financial statements are reported in the *Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance With Government Auditing Standards*.
3. No instances of noncompliance material to the consolidated financial statements of Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary were disclosed during the audit.
4. No significant deficiencies relating to the audit of the major federal award programs are reported in the *Report on Compliance with Requirements Applicable to Each Major Program and on Internal Control over Compliance in Accordance with Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements*.
5. The Auditor's report on compliance for major federal award programs for Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary expresses an unqualified opinion on all major federal programs.
6. Audit findings that are required to be reported in accordance with Title 2 U.S. Code of Federal Regulations 200.516(a) are reported in this Schedule. (No findings were noted.)
7. The programs tested as major programs include: Department of Housing and Urban Development, Continuum of Care Grant Program, CFDA No. 14.267;
8. The threshold for distinguishing Types A and B programs was \$750,000.
9. Cornerstone Community Development Corporation dba Building Futures with Women and Children, and Subsidiary did not qualify as a low risk auditee.

**FINDINGS – FINANCIAL STATEMENTS AUDIT**

None

**FINDINGS AND QUESTIONED COSTS – MAJOR FEDERAL AWARD PROGRAMS AUDIT**

None

**CORNERSTONE COMMUNITY DEVELOPMENT CORPORATION DBA BUILDING  
FUTURES WITH WOMEN AND CHILDREN, AND SUBSIDIARY  
SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS  
YEAR ENDED JUNE 30, 2021**

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There were no prior year audit findings.